

Message Text

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PAGE 01 NIAMEY 02667 091447Z
ACTION XMB-04

INFO OCT-01 AF-10 ISO-00 EB-07 AID-05 CIAE-00 FRB-01
INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02
EPG-02 OMB-01 /061 W
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FM AMEMBASSY NIAMEY
TO SECSTATE WASHDC 7119
INFO AMEMBASSY ABIDJAN
USDOC WASHDC

UNCLAS NIAMEY 2667

E.O. 11652: NA
TAGS: BPRO, NG
SUBJECT: EXIMBANK BANK GUARANTEE FOR SALE OF CATERPILLAR CONSTRUCTION EQUIPMENT TO SOCIETE NIGERIENNE DU CHARBON (SONICHAR) GUARANTEED BY MINISTRY OF FINANCE, NIGER

REF: A) STATE 125096(NOTAL) B) 76 NIAMEY 5014

1. SONICHAR FINANCES STILL APPEAR SOUND WITH FIRM BACKING OF NIGER GOVERNMENT AND INTERNATIONAL URANIUM CONSORTIUMS HERE. AT SAME TIME, THERE HAVE BEEN SOME CHANGES IN SONICHAR FINANCIAL STRUCTURE SINCE OUR LAST REPORT (REFTEL B) WHICH MAY INTEREST EXIMBANK.

2. IN CONVERSATION WITH EMBASSY OFFICER, BDRN DIRECTOR AMADOU NOUHOU WHO NOW HANDLING SONICHAR FINANCES DISCLOSED GON WILL PROBABLY SOON TAKE MAJORITY PARTICIPATION IN SONICHAR. ALTHOUGH STILL NOT OFFICIALLY ANNOUNCED, THIS INCREASE IN GON SHARE LARGELY TO COVER RISING COSTS OF SONICHAR PROJECT. FINANCIAL STUDY CARRIED OUT THIS YEAR PUTS TOTAL COSTS IN NEIGHBORHOOD OF 90 MILLION DOLS -- ALMOST A THRTY PERCENT INCREASE OVER PREVIOUS ESTIMATES WHICH DATED FROM 1973. COMINAK AND SOMAIR URANIUM CONSORTIUMS, UNCLASSIFIED

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PAGE 02 NIAMEY 02667 091447Z

WHO PRESENTLY HOLD 47.8 PERCENT OF SONICHAR, HAVE DECLINED TO TAKE ON ADDITIONAL COMMITMENTS. AS RESULT, GON TO ABSORB COST INCREASES, RAISING ITS SHARE FROM 26 PERCENT TO OVER FIFTY. SONICHAR IS NOW CAPITALIZED AT 18 MILLION DOLS, WITH ADDITIONAL 14 MILLION DOLS IN CURRENT ACCOUNT WITH PARTICIPATING COMPANIES.

3. BDRN DIRECTOR ALSO OUTLINED NUMBER OF FINANCING SOURCES WHICH ARE NOW QUOTE SURE UNQUOTE. AMONG THEM

DOLLAR AMOUNT

--FRENCH COFACE - SUPPLIERS' CREDIT	24,000,000
-- LOAN FROM NIGERIA	8,000,000
--BANQUE CENTRALE (BCEAO)	8,000,000
--BANQUE ISLAMIQUE	8,000,000
--CAISSE CENTRALE (CCCE)	8,000,000
--AFRICAN DEVELOPMENT BANK (ADB)	6,000,000
--ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA (ABEDA)	4,000,000
--SIFIDA (FRENCH/LUXEMBOURG)	4,000,000
TOTAL	70,000,000

4. EMBASSY SEES NO DOMESTIC POLITICAL REASONS TO AFFECT EXIMBANK CONSIDERATIONS. DAVISON

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 09-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
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Litigation Codes:
Litigation History:
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